

**Achievement of Market-Friendly Initiatives and Results Program  
(AMIR 2.0 Program)**

**Funded By U.S. Agency for International Development**

**MSE, BDS Survey Validation and  
Analysis (Phase II) Focus Groups**

**BDS Providers – Amman**

**Final Report**

**Deliverable for MEI Component, Task No. 334.1  
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## Executive Summary

Eight focus group sessions were arranged by CDG within the phase II of the Business Development Services (BDS) Study. These focus groups were held in Amman, Karak, Aqaba and Irbid with two target groups: BDS providers and MSEs entrepreneurs. This document reports the results of the BDS providers sessions.

The objectives of the two Focus Group sessions held in Amman with BDS providers were a) to understand from the perspective of the BDS providers the process involved in marketing their services in Jordan, b) to review the results of the BDS providers survey and identify any information gaps not covered in the survey. The discussions focused on five main themes:

- BDS providers' experience,
- Type of offered and needed services,
- Marketing of BDS in Jordan,
- Assessment of BDS providers in terms of their needs and problems, and
- BDS beneficiaries' attitudes towards using business development services offered by the targeted group.

In total 22 persons, males and females, attended the two focus groups. The groups included providers offering different services in different sectors, such as sales consulting, business training, IT services, computers skills training, editing, law, and health services consulting. Most work with the medium and large size businesses.

Almost all participants were not aware of the term 'Business Development Services'. In fact some BDS providers were not even aware that the services they are offering are business development services.

Most of the BDS providers showed their unwillingness to serve the micro businesses based on their belief that businesses of this size are not willing to pay the fees of the services. Only three participants from both BDS provider sessions serve the micro businesses but under the umbrella of subsidized programs.

BDS providers are unaware of a potential market among the MSEs. They have no knowledge of tactics and methods that may offer the benefits of lower cost for the providers and affordable fees for MSEs, and as such be able to penetrate the MSE market.

The BDS providers indicated that they depend on word of mouth, high quality of their service and their good reputation, when marketing their services in the Jordan. They also indicated that there is a good demand of BDS in the market and they are looking forward to expanding it even internationally.

BDS providers believe that there should be a third party to link MSEs with BDS providers.

In conclusion, the objectives of the focus group sessions were fulfilled, and some valuable suggestions and recommendations were obtained. The direct interaction with the participants served in improving their understanding of the BDS concept and raised their awareness of their needs.

## **1. Methodology**

The methodology used to select participants and establish groups varied according to location of session, but in general the following criteria was adopted:

- 1- Inviting BDS providers that work with MSEs as well as Micro businesses
- 2- Inviting BDS providers that operate in different sectors
- 3- Inviting males and females business owners.
- 4- Purpose of the session and its aims were explained to all invitees. The best time for attending the session was concluded from the invitees themselves.

The following methodologies were adopted in inviting and selecting participants:

- 1- Telephone Directory: Focus group organizer calls a random selection of businesses from the telephone directories, explain the reason of the focus group and invites them to attend, and ask them for a lead to invite along with them.
- 2- Enlisted the help of CDG connections whether with organizations, individuals, or associates to obtain contacts of business owners that may be interested to attend our sessions.

In order to ensure proper turn out, at least 12-14 persons were invited for each session, called again one day before the event to remind them, and again on the day of the event to confirm their presence.

**BDS providers sessions:**

- The participants were representing private organizations from different sectors and the majority of them are serving medium and large size business with some interest of starting to work with the small and micro businesses as well.

Session #	Location	Venue	Date of the session	# Of participants	Time
1	Amman	Radisson SAS hotel	24/7/2002	13	5.00-7.15 am
2	Amman	Radisson SAS hotel	28/8/2002	9	5.30- 7.30 am

**2. Summary of Focus Group Discussions**

Following is an overall summary of the ideas and points discussed by the participants.

**(Question 1)****Verify information about the market for BDS based on their own experiences.**

Participants in the first group were providing a variety of services with 95% of them serving medium and large businesses as their main clients. Most of the second group were representing IT business services and 85% of them were serving medium and large businesses also.

Both groups were not keen at all to serve the micro businesses because they believe that micro businesses cannot afford their BDS fees. It could also be deduced from the discussion that the participants were not even including them as prospective market in their future business plans.

Also, both groups indicated their unwillingness to work with governmental projects, and businesses with low capital. They looked forward to sustaining their business with larger accounts and clients.

At least one participant in each group was a business-training provider for MSEs but both of them were working within subsidized programs. These programs were offering them high fees for their services which they would not get if they work on their own in the private sector as BDS providers.

One participant in the second group was providing some e-marketing services to MSEs producing handicrafts and other such products.

Both groups were having a good percentage of repeat clients asking for their services.

**Question 2 Objective: Assessment, based on participants' own knowledge and instincts of the Jordanian BDS market.**

Both groups, while suggesting some services which are not available in the market, concentrated on sophisticated services directed to the medium and large businesses. These included developing a marketing database of different kinds of businesses, professional management consultation, and financial services through Internet, in addition to technical training in special fields they provide services in.

Both groups agreed that Jordan is a small country and consequently they were willing to serve businesses outside Amman without having branches in those cities. They also acknowledged that there is a demand in some of the larger cities such as Aqaba and Irbid but it is limited compared to Amman's market.

**Question 3 and 4 Objective: Verify what MSEs feel is the most important selection criteria for a provider, and verify what marketing techniques are seen as the most important.**

The first group indicated that MSEs choose BDS providers mainly through word of mouth and good reputation. They considered these two factors to be the best effective marketing tools for them to reach their clients.

The second group concentrated on the value that MSEs seek from the service and the trust in the BDS provider as main causes for choosing one. In addition they indicated that advertising and media were the most effective marketing tools for them to expand their markets.

**Question 5 Objective: Verify what prevents MSE from using BDS from the provider perspective**

Both groups agreed that MSEs unwillingness to pay and their unawareness of their need are two essential reasons that prevent MSEs from purchasing BDS, in particular the second group mentioned that the weak economical situation in the country is a valid reason that prevents MSEs from purchasing BDS. Both groups also added that MSEs might not value the benefit of the service before purchasing it.

As for the BDS providers' point of view about the issue of "MSEs willingness to pay for BDS being an unimportant factor", they commented that both BDS providers and MSEs lack proper linkages. This separation leads to lack of understanding from both sides about what is the actual cost that MSEs can pay for the needed services on one hand, and on the other the benefit that MSEs can gain from the service and which positively affects their businesses. Also providers from the second group believe that MSEs depend on their in-house capabilities in improving their businesses.

**Question 6 Objective: Understand providers approach to strategic marketing**

Most of the first group participants decided on what services to provide based on market demand drawn from a marketing research they have conducted before starting. But some of them started the service because of their educational background only.

The answers of the second group varied. Some indicated that their approach was based on their ‘hobby’ and other said that they found themselves providing these services by coincidence.

**Question 7 - Pricing strategy**

The first group has not been asked as instructed.

The second group indicated some ways of setting up their pricing strategies. The main being total cost of the labor added to the direct expenses. However, most of them mentioned that there is no fixed price they charge their clients for, and that price depends on the size of business they are serving and the ultimate benefit they are offering for the client. This sometimes allows them to change their prices.

**Question 8 Objective: Verify provider’s view of donor-funded BDS interventions**

The first group was in favor of the donors’ role in improving the BDS market, therefore all participants have a vision of a dynamic and active BDS market when a donor agency supports them as BDS providers technically and financially. They also think that donors may enable the role of a third party responsible for bridging the gap, improving the relation between BDS providers and their clients, awareness-raising through campaigns, and marketing of the BDS.

From the discussion most of the participant started to realize that MSEs are a potential market for them but with the need of the donors’ support.

The second group not been asked as instructed.

**Question 9 Objective: Verify what are the most important elements of a project designed to improve the quality of the supply and increase the demand for BDS?**

As a first step to improve the BDS market in general, the first group requested capacity building for themselves as BDS providers. They also wanted help to open international markets. This reflected their unwillingness to activate the existing MSEs market in Jordan.

The second group concentrated on the importance of BDS marketing campaign which will help MSEs be more aware of the benefits of purchasing BDS. A third party should be responsible for this particular linkage between BDS providers and MSEs.

**General Observation:**

The two focus groups had very similar answers and opinions regarding the issues put forward. The consensus of the two discussions were focused on the need for a third party to handle awareness of BDS in the Jordanian market in terms of available services, methods of reaching and providing the services to the potential market of the micro and small businesses, as well as creating the linkages between the providers and the MSEs.



## Appendix A

### List of BDS Providers Participants

#### BDS Providers Focus Group (1)

Name	Field
1. Randa Qunsul	Auditor and financial consulting
2. Suhier Ghandoor	Business and industry consulting
3. Dr.Ahmed Kassim	Manufacturing consulting
4. Mohammad Ktaishat	Law
5. Khaled Klaifat	Law
6. Eyyad Ayyad Jayousi	IT training \ English Courses Guiding Techniques Trainer
7. Rami Khyami	Senior Sales Specialist
8. Fahmi Al-Amad	IT training
9. Ziad Shaltoni	Marketing and e-Marketing consulting
10. Hanady Mustafa	Agronomist
11. Eiad Aljayousi	Training
12. Saeeda Ramadan	Training and management consulting
13. Khaled Alhasan	Management consulting

**BDS providers Focus group (2)**

<b>Name</b>	<b>Field</b>
1. Hussam Jarrar	E-Business Solutions
2. Firas Jaber	Website Development
3. Kamees hamd	Feasibility studies and consulting
4. Samar Hammad	Web Portal/ e-commerce site
5. Naji Abu Sarhan	Internet marketing and office services
6. Samer Haddadeen	Programming and Counseling
7. Ziad Zmaily	Auditing
8. Lu'ai Hasan	Signage
9. Mohammed Al-Qorom	Training, Tax Counseling

Invitees who did not attend:

<b>Name</b>	<b>Field</b>
Lina Salameh / Hind Fayez	Advertising agency
Yousef Hawamdeh/ Fadel Hawamdeh	Advertising material/plans and document photocopying services
Usama Qammo	Accounting and auditing
Khaled Hassouneh	Interior decoration of shops
Fadi Risheq	Package designs and graphics
Ahmad Hussein	Handicrafts marketing